

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Northbridge Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: July 27, 2022

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY23 (since the amount under the prior schedule was maintained in FY23) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.25% to 7.0% and a slight adjustment to the fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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**NORTHBRIDGE RETIREMENT SYSTEM  
FUNDING SCHEDULE**

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution*	% Change
2024	713,640	8,992,420	1,361,983	58,007	2,133,630	3.84%
2025	740,402	8,164,567	1,377,895	58,007	2,176,303	2.00%
2026	768,167	7,261,740	1,393,656	58,007	2,219,829	2.00%
2027	796,973	6,278,850	1,409,246	58,007	2,264,226	2.00%
2028	826,859	5,210,476	1,424,644	58,007	2,309,510	2.00%
2029	857,867	4,050,841	1,439,827	58,007	2,355,700	2.00%
2030	890,036	2,793,785	1,454,771	58,007	2,402,814	2.00%
2031	923,413	1,432,745	1,432,745	58,007	2,414,165	0.47%
2032	958,041	-	-	58,007	1,016,048	-57.91%

**Amortization of Unfunded Liability as of July 1, 2023**

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2022	Fresh Start	8,992,420	N/A	8	1,361,983	8

\* Contribution is set to be the planned amount for FY24, with 2% increases thereafter. The contribution in the final year (FY2031) increases by 0.47%.